Message Text

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ACTION OES-02

INFO OCT-01 SS-14 ISO-00 GAO-01 ABF-01 EUR-08 A-01 /028 W

----- 028871

R 031629Z FEB 76

FM AMEMBASSY BONN

TO SECSTATE WASHDC 6161

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LIMDIS

DEPT PASS GAO FOR PHILLIP HUGHES

E.O. 11652: N/A TAGS: TECH. GW

SUBJECT: GAO REPORT ON OVERSEAS FBR DEVELOPMENT

REF: A. BONN 01754; B. STATE 023619

- 1. SUMMARY: IN INTERESTS PROMPT ACTION, FRG MINISTRY FOR RESEARCH AND TECHNOLOGY AND INTERATOM PROVIDED EMBASSY'S SCIENCE COUNSELOR WITH FOLLOWING COORDINATED GERMAN COMMENTS ON SUBJECT DRAFT REPORT. REQUEST DEPARTMENT SAFEGUARD COMMENTS TO PREVENT PREMATURE DISCLOSURE. END SUMMARY.
- 2. GERMAN COMMENTS ARE USUALLY LIMITED TO CHANGES IN DATES AND OTHER MINOR EDITING. FOLLOWING SUGGESTIONS ARE IDENTIFIED BY PAGE AND LINE NUMBERS:

DIGEST, PAGE II, LINE 22:

ADD WORD "COMPETITIVE" BETWEEN "BROAD AND INDUSTRIAL."

(FRG BELIEVES AUTHOR OF REPORT MAKES PRECISELY THIS SAME POINT IN CONCLU-SIONS, PAGE 65, LINE 11.)

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DIGEST, PAGE IX.

FRG NOTES THAT PAGES IX AND X ARE SUBSTANTIALLY THE SAME. WOULD BE WILLING TO ACCEPT EITHER TEXT.

PAGE 17, LINE 22 ET SEQ:

PAGE 18, LINE 1:

FRG DOUBTS THAT NEGOTIATIONS OF LMFBR ARRANGEMENT FOR COOPERATION HAVE BEEN COMPLICATED BY DECENTRALIZATION OF GERMAN PROGRAM. EMBASSY CONCURS. THE ONLY REMAINING DIFFICULTY RELATES TO THE PATENT CLAUSE -- A FREQUENT PROBLEM IN NEGOTIATING AGREEMENTS FOR TECHNOLOGICAL COOPERATION. FRG SUGGESTS SUBSTITUTION OF TEXT SIMILAR TO FOLLOWING (LINE 22):

QUOTE... IN PROGRESS; CONCLUSION OF THIS AGREEMENT IS ANTICIPATED IN THE NEAR FUTURE. THE FRG MINISTRY FOR RESEARCH AND TECHNOLOGY ASSISTED THE AEC/ERDA IN THEIR CONTACT WITH ... END QUOTE (TO LINE 2, PAGE 18).

PAGE 38, LINE 20:

AMEND TEXT AS FOLLOWS:

QUOTE: ...ABOUT 1990 AND ESTIMATES THAT IN 2000 ABOUT 15 BREEDER REACTORS OF UP TO 2,000 MEGAWATT ELECTRIC EACH COULD BE ON LINE AND PRODUCING ABOUT 20 PERCENT ... END QUOTE (LINE 22).

PAGE 39, LINE 12:

"... A FAST CORE WAS STARTED IN 1975

..." (NOT 1964)

PAGE 39, LINE 18:

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"... COMPLETED IN 1980." (NOT 1979)

PAGE 39, LINE 19:

"... EXPECTED IN 1981." (NOT MID-1980)

PAGE 39, LINE 21 ET SEQ:

AMEND TEXT AS FOLLOWS:

QUOTE ... LICENSING DIFFICULTIES.

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ALTHOUGH THE FAST BREEDER PROGRAMS OF ENGLAND, AND ESPECIALLY FRANCE, MAY BE MORE ADVANCED AT THE PRESENT TIME, GERMAN OFFICIALS BELIEVE THAT THIS GAP WILL CLOSE UP IN THE FUTURE TO AN INCREASING EXTENT BECAUSE THE SNR-300 ... END QUOTE (LINE 23).

PAGE 40, LINE 9:

"... ARE CURRENTLY PLANNING..." (NOT DESIGNING).

PAGE 40. LINE 10:

AMEND TEXT AS FOLLOWS:
"...REACTOR (1,200 - 2,000) MEGAWATT
ELECTRIC), THE SNR-2, ...".

PAGE 41, LINE 16:

AFTER SECOND PARAGRAPH, ADD NEW PARAGRAPH: QUOTE THE SNR - 300 PROJECT IS A TRILATERAL PROJECT, BOTH ON THE MANUFACTURER AND ON THE UTILITY SIDE, BETWEEN THE FRG, BELGIUM AND THE NETHERLANDS. THE PROJECT STRUCTURE IS GIVEN IN APPENDIX IV. END QUOTE.

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PAGE 41, LINE 19:
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    CHANGE "PLAN" TO "PLANT".
 PAGE 42. LINE 6:
    DELETE "THE GERMAN", TO READ:
    QUOTE CONSORTIUM AND GOVERNMENTS.
    THE UTILITY CONSORTIUM END QUOTE.
    (FRG OFFICIALS EXPLAINED THAT PARTICI-
    PATION BY THE NETHERLANDS GOVERNMENT
    IS STILL UNCERTAIN BUT THEY DO NOT
    RPT NOT WISH TO PUBLICIZE THIS FACT.)
 PAGE 45, LINE 19:
    CHANGE "BN-360" TO "BN-350".
 PAGE 46, LINE 7:
    CHANGE "OBNINSH" TO "OBNINSK".
 PAGE 66, LINE 9:
    CHANGE "1979" TO "1980".
 PAGE 73:
    ADD NEW DATA FOR FRG, AS FOLLOWS:
      1971 - - - 260
      1972 - - - 275
      1974 - - - 311
       1975 - - - 300.
 PAGE 75:
    CHANGE FRG DATA, AS FOLLOWS:
    "BOILING WATER REACTOR"
     PLANNED 6 (NOT 5).
    "FAST BREEDER REACTOR"
     PLANNED 3 (NOT2).
    ADD FOOTNOTE: QUOTE ONE OF THESE
    IS THE MODIFIED SODIUM - COOLED,
    THERMAL REACTOR REFERRED TO ON PAGE
    39. END QUOTE.
    (FRG ALSO SUGGESTS THAT BOTTOM LINE OF
    TABLE BE DELETED ENTIRELY. THE KNK
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REACTOR, THE ONLY ZIRCONIUM HYDRIDE REACTOR, IS NO LONGER IN OPERATION AND NO ZR-H REACTOR IS PLANNED. WHEN KNK MODIFICATION IS COMPLETED, IT WILL BE A FAST BREEDER REACTOR AS NOTED IN FOOTNOTE PROPOSED FOR THIS TABLE.)

PAGE 80:

FRG MINISTRY OFFICIAL NOTED THAT THIS IS CHART PREPARED BY INTERATOM. AN ADDITIONAL SET OF BOXES SHOULD BE ADDED BELOW TITLE, "SNR-300 ORGANIZATION", ONE BOX EACH FOR THE THREE GOVERNMENTS: FRG, BELGIUM AND THE NETHERLANDS. GOVERNMENTS SUPPLY APPROXIMATELY 90

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ACTION OES-02

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PERCENT OF AMOUNTS SPENT BY EACH UTILITY.

PAGE 84:

FRG SUGGESTS THAT FIGURES FOR "INBFR"
REPORT EXCHANGE BE LISTED IMMEDIATELY
FOLLOWING DATA FOR FRG, I.E. AS THIRD
ITEM IN LIST. THIS "OPTICAL" CHANGE
REFLECTS MORE ACCURATELY THE MAGNITUDE

OF TOTAL US - FRG INFORMATION EXCHANGE.

3. EMBASSY COMMENT: FRG AND INTERATOM OFFICIALS BELIEVE GAO DRAFT REPORT IS EXCELLENT AND GREATLY APPRECIATED THE OPPORTUNITY TO REVIEW IT BEFORE PUBLI-CATION. AS A GENERAL COMMENT, IN WHICH EMBASSY CONCURS, GERMANS HAVE FEELING THAT DRAFT REPORT MAY MINIMIZE THE MUTUAL BENEFITS TO BE DERIVED FROM US-FRG COOPERATION IN FBR AREA. FRG OFFICIALS SHARE (BUT NOT FOR THE RECORD) GAO EVALUATION OF FRENCH ATTITUDES AND MOTIVATIONS. HOWEVER, THEY PROFESS TO BE FAR MORE WILLING TO COOPERATE WITH THE US, UP TO AND INCLUDING THE EXCHANGE OF SOME COMMERCIALLY-INTERESTING "KNOW-HOW" AND TECHNOLOGY, EVEN IF US INDUSTRY WERE TO BENEFIT SOMEWHAT. FRG BELIEVES THAT GERMANY HAS LITTLE CHANCE OF PENETRATING US MARKET FOR FBR'S (AND VICE VERSA). HOWEVER, US-FRG COMMERCIAL COMPETITION COULD OCCUR IN THIRD COUNTRIES AND LIMITED OFFICIAL USE

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POSSIBLY FOR SALES OF SOME SUB-SYSTEMS AND LARGE COMPONENTS. FOR THIS LATTER REASON, THE US FREEDOM OF INFORMATION ACT COULD IMPEDE THE EXCHANGE OF DATA BETWEEN THE TWO GOVERNMENTS UNLESS GERMAN COMMERCIAL TECHNOLOGY WERE ADEQUATELY PROTECTED. FURTHERMORE, IN THE FIELD OF FBR SAFETY, THE FRG BELIEVE IT ESSENTIAL TO HAVE FULL EXCHANGE. THEY WOULD IN PRINCIPLE BE WILLING TO EXCHANGE ALL DATA -- EVEN IF PROPRIETARY -- BUT WOULD REQUIRE PROTECTION OF SUCH DATA AGAINST DISCLOSURE TO US FIRMS BY USG. IN THIS CONTEXT, TOO, THE FOI ACT COULD IMPEDE TRANSFER OF SIGNIFICANT INFORMATION OTHERWISE AVAILABLE ON GOVERNMENT - GOVERNMENT BASIS. FRG WOULD APPRECIATE APPROPRIATE AMENDMENTS ON THE TEXT TO REFLECT THIS VIEWPOINT. CASH

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